

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

APMDC Limited – Sale of Barytes – Scientific fixing of sale price of Barytes and linking the sale price of Barytes to the International Market price and Marketing – Approval of Technical Committee Recommendations - Orders – Issued.

INDUSTRIES AND COMMERCE (MINES.III) DEPARTMENT

G.O.RT.No. 22

Dated: 27.01.2015
Read the following :-

1. G.O.Ms.No.27 , Ind. & Com. (M.III) Dept. dt.07.01.1974.
2. G.O.Ms.No.296, Ind. & Com. (M.II) Dept. dt.04.12.2004.
3. G.O.Ms.No.2421, G.A (Cabinet) Dept. dt.20.06.2014.
4. G.O.Ms.No.206, Ind. & Com. (M.III) Dept. dt.15.12.2014
5. G.O.Rt.No.398, Ind. & Com. (M.III) Dept. dt.15.12.2014.
6. From the VC&MD, APMDC Lr. No. APMDC/M&S/BAR-GO/ -2014- 15 /2833, dated 23.01.2015.

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ORDER:

In the ref. 1st read above, Government have reserved the Barytes Ore mineral in Mangampet and Anantharajupet Villages, except those already leased out, for exclusive exploitation for the public sector. Accordingly, the Andhra Pradesh Mineral Development Corporation Ltd., is being granted Mining Leases for Barytes from 1975 onwards in the said area.

2. In the ref. 4th read above, orders were issued cancelling the G.O ref. 2nd read above in which sale price of Barytes was fixed in an unscientific way and due to the Corporation was unable to capture better value, prevailing in the global markets.
3. In the ref. 5th read above, orders were issued constituting a Technical Committee to assess the losses which have occurred due to the deficiencies in the orders in G.O.Ms. No. 296, I&C(M.II) dept., dated 04.12.2004.
4. In continuation of the above, keeping in view of the importance and demand of the Barytes ore mineral, Government hereby direct the VC&MD, APMDC Ltd to act on the following issues;
 - i) The APMDC shall constitute a committee in consultation with Government to fix the base price of Barytes, to invite global tenders at shorter intervals; to decide the allocation percentage for export and domestic market and to align the sale price of Barytes with the international market price.
 - ii) The base price shall be in the range of 70-75% of the FoB (International Market Price), Chennai.
 - iii) The FoB price is being published once a month in Industrial Minerals Magazine based in London. Hence the base price would be altered accordingly. This will become a dynamic pricing system (though not on real time basis).
 - iv) The exchange rate fluctuations as well as actual fluctuations in FoB price every month will be factored in by APMDC while fixing the monthly average price.
 - v) For better quality (eg.4.20 Sp.Gr in case of "A" Grade), a premium of 1.5% on the tendered price would be charged extra for every 0.01 increase in Specific Gravity.

- vi) The APMDC Ltd shall immediately pursue with National Metallurgical Laboratory, Jamshedpur for efficient usage / disposal of "C+D+W" material to generate the better revenue.
- vii) The APMDC Ltd shall immediately pursue with National Metallurgical Laboratory, Jamshedpur for efficient usage / disposal of white shale material and generate the revenue.
- viii) APMDC shall also look at options for exploration of fullerene from Black shale.
- ix) The APMDC shall go for full automation in 3 months time and mechanise/modernize its operations within 6 months, positively.
- x) The APMDC shall excavate 3 Million tons of Barytes by 2016.
- xi) The APMDC shall expedite the land acquisition works and R&R works with the support of the Collector, Kadapa within one year.
- xii) A pilot for direct export of Barytes by APMDC shall also be taken up. Based on the feedback of the pilot, APMDC shall come again to the Government for direct export of Barytes.

5. The VC&MD, APMDC Ltd shall submit the status reports on the above issues to the Government from time to time.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.S. RAWAT,
SECRETARY TO GOVERNMENT

To

The VC & MD, APMDC Ltd
The Director of Mines & Geology, GoAP, Hyderabad

Copy to :

P.S. to Hon'ble Chief Minister
P.S. to Hon'ble Minister (M&G)
P.S. to Chief Secretary to Government
P.S. to Prl. Secretary to Govt., I & C Dept.,
SF/SC (C. No. 12434/M.III(2)/2014)

//FORWARDED:: BY ORDER//

SECTION OFFICER